



A P P E N D I X   A

REPORT TO THE PRESIDENT  
ON THE ACTIVITIES OF THE  
COUNCIL OF ECONOMIC  
ADVISERS DURING 2013



## LETTER OF TRANSMITTAL

COUNCIL OF ECONOMIC ADVISERS  
Washington, D.C., December 31, 2013

MR. PRESIDENT:

The Council of Economic Advisers submits this report on its activities during calendar year 2013 in accordance with the requirements of the Congress, as set forth in section 10(d) of the Employment Act of 1946 as amended by the Full Employment and Balanced Growth Act of 1978.

Sincerely yours,

Jason Furman, *Chairman*  
Betsey Stevenson, *Member*  
James H. Stock, *Member*

## COUNCIL MEMBERS AND THEIR DATES OF SERVICE

Name	Position	Oath of office date	Separation date
Edwin G. Nourse	Chairman	August 9, 1946	November 1, 1949
Leon H. Keyserling	Vice Chairman	August 9, 1946	
	Acting Chairman	November 2, 1949	
	Chairman	May 10, 1950	January 20, 1953
John D. Clark	Member	August 9, 1946	
	Vice Chairman	May 10, 1950	February 11, 1953
Roy Blough	Member	June 29, 1950	August 20, 1952
Robert C. Turner	Member	September 8, 1952	January 20, 1953
Arthur F. Burns	Chairman	March 19, 1953	December 1, 1956
Neil H. Jacoby	Member	September 15, 1953	February 9, 1955
Walter W. Stewart	Member	December 2, 1953	April 29, 1955
Raymond J. Saulnier	Member	April 4, 1955	
	Chairman	December 3, 1956	January 20, 1961
Joseph S. Davis	Member	May 2, 1955	October 31, 1958
Paul W. McCracken	Member	December 3, 1956	January 31, 1959
Karl Brandt	Member	November 1, 1958	January 20, 1961
Henry C. Wallich	Member	May 7, 1959	January 20, 1961
Walter W. Heller	Chairman	January 29, 1961	November 15, 1964
James Tobin	Member	January 29, 1961	July 31, 1962
Kermit Gordon	Member	January 29, 1961	December 27, 1962
Gardner Ackley	Member	August 3, 1962	
	Chairman	November 16, 1964	February 15, 1968
John P. Lewis	Member	May 17, 1963	August 31, 1964
Otto Eckstein	Member	September 2, 1964	February 1, 1966
Arthur M. Okun	Member	November 16, 1964	
	Chairman	February 15, 1968	January 20, 1969
James S. Duesenberry	Member	February 2, 1966	June 30, 1968
Merton J. Peck	Member	February 15, 1968	January 20, 1969
Warren L. Smith	Member	July 1, 1968	January 20, 1969
Paul W. McCracken	Chairman	February 4, 1969	December 31, 1971
Hendrik S. Houthakker	Member	February 4, 1969	July 15, 1971
Herbert Stein	Member	February 4, 1969	
	Chairman	January 1, 1972	August 31, 1974
Ezra Solomon	Member	September 9, 1971	March 26, 1973
Marina v.N. Whitman	Member	March 13, 1972	August 15, 1973
Gary L. Seevers	Member	July 23, 1973	April 15, 1975
William J. Fellner	Member	October 31, 1973	February 25, 1975
Alan Greenspan	Chairman	September 4, 1974	January 20, 1977
Paul W. MacAvoy	Member	June 13, 1975	November 15, 1976
Burton G. Malkiel	Member	July 22, 1975	January 20, 1977
Charles L. Schultze	Chairman	January 22, 1977	January 20, 1981
William D. Nordhaus	Member	March 18, 1977	February 4, 1979
Lyle E. Gramley	Member	March 18, 1977	May 27, 1980
George C. Eads	Member	June 6, 1979	January 20, 1981
Stephen M. Goldfeld	Member	August 20, 1980	January 20, 1981
Murray L. Weidenbaum	Chairman	February 27, 1981	August 25, 1982

## COUNCIL MEMBERS AND THEIR DATES OF SERVICE

Name	Position	Oath of office date	Separation date
William A. Niskanen	Member	June 12, 1981	March 30, 1985
Jerry L. Jordan	Member	July 14, 1981	July 31, 1982
Martin Feldstein	Chairman	October 14, 1982	July 10, 1984
William Poole	Member	December 10, 1982	January 20, 1985
Beryl W. Sprinkel	Chairman	April 18, 1985	January 20, 1989
Thomas Gale Moore	Member	July 1, 1985	May 1, 1989
Michael L. Mussa	Member	August 18, 1986	September 19, 1988
Michael J. Boskin	Chairman	February 2, 1989	January 12, 1993
John B. Taylor	Member	June 9, 1989	August 2, 1991
Richard L. Schmalensee	Member	October 3, 1989	June 21, 1991
David F. Bradford	Member	November 13, 1991	January 20, 1993
Paul Wonnacott	Member	November 13, 1991	January 20, 1993
Laura D'Andrea Tyson	Chair	February 5, 1993	April 22, 1995
Alan S. Blinder	Member	July 27, 1993	June 26, 1994
Joseph E. Stiglitz	Member	July 27, 1993	
	Chairman	June 28, 1995	February 10, 1997
Martin N. Baily	Member	June 30, 1995	August 30, 1996
Alicia H. Munnell	Member	January 29, 1996	August 1, 1997
Janet L. Yellen	Chair	February 18, 1997	August 3, 1999
Jeffrey A. Frankel	Member	April 23, 1997	March 2, 1999
Rebecca M. Blank	Member	October 22, 1998	July 9, 1999
Martin N. Baily	Chairman	August 12, 1999	January 19, 2001
Robert Z. Lawrence	Member	August 12, 1999	January 12, 2001
Kathryn L. Shaw	Member	May 31, 2000	January 19, 2001
R. Glenn Hubbard	Chairman	May 11, 2001	February 28, 2003
Mark B. McClellan	Member	July 25, 2001	November 13, 2002
Randall S. Kroszner	Member	November 30, 2001	July 1, 2003
N. Gregory Mankiw	Chairman	May 29, 2003	February 18, 2005
Kristin J. Forbes	Member	November 21, 2003	June 3, 2005
Harvey S. Rosen	Member	November 21, 2003	
	Chairman	February 23, 2005	June 10, 2005
Ben S. Bernanke	Chairman	June 21, 2005	January 31, 2006
Katherine Baicker	Member	November 18, 2005	July 11, 2007
Matthew J. Slaughter	Member	November 18, 2005	March 1, 2007
Edward P. Lazear	Chairman	February 27, 2006	January 20, 2009
Donald B. Marron	Member	July 17, 2008	January 20, 2009
Christina D. Romer	Chair	January 29, 2009	September 3, 2010
Austan D. Goolsbee	Member	March 11, 2009	
	Chairman	September 10, 2010	August 5, 2011
Cecilia Elena Rouse	Member	March 11, 2009	February 28, 2011
Katharine G. Abraham	Member	April 19, 2011	April 19, 2013
Carl Shapiro	Member	April 19, 2011	May 4, 2012
Alan B. Krueger	Chairman	November 7, 2011	August 2, 2013
James H. Stock	Member	February 7, 2013	
Jason Furman	Chairman	August 4, 2013	
Betsey Stevenson	Member	August 6, 2013	



# **REPORT TO THE PRESIDENT ON THE ACTIVITIES OF THE COUNCIL OF ECONOMIC ADVISERS DURING 2013**

The Council of Economic Advisers was established by the Employment Act of 1946 to provide the President with objective economic analysis and advice on the development and implementation of a wide range of domestic and international economic policy issues. The Council is governed by a Chairman and two Members. The Chairman is appointed by the President and confirmed by the United States Senate. The Members are appointed by the President.

## **THE CHAIRMAN OF THE COUNCIL**

Jason Furman was confirmed by the U.S. Senate on August 1, 2013. Prior to this role, Furman served as Assistant to the President for Economic Policy and the Principal Deputy Director of the National Economic Council.

From 2007 to 2008 Furman was a Senior Fellow in Economic Studies and Director of the Hamilton Project at the Brookings Institute. Previously, he served as a Staff Economist at the Council of Economic Advisers, a Special Assistant to the President for Economic Policy at the National Economic Council under President Clinton and Senior Adviser to the Chief Economist and Senior Vice President of the World Bank. Furman was the Economic Policy Director for Obama for America. Furman has also served as Visiting Scholar at NYU's Wagner Graduate School of Public Service, a visiting lecturer at Yale and Columbia Universities, and a Senior Fellow at the Center on Budget and Policy Priorities.

Alan B. Krueger resigned as Chairman on August 2, 2013 to return to Princeton University, where he is the Bendheim Professor of Economics and Public Affairs.

## THE MEMBERS OF THE COUNCIL

Betsey Stevenson was appointed by the President on August 6, 2013. She is on leave from the University of Michigan's Gerald R. Ford School of Public Policy and the Economics Department where she is an Associate Professor of Public Policy and Economics. She served as the Chief Economist of the US Department of Labor from 2010 to 2011.

James H. Stock was appointed by the President on February 7, 2013. He served as Chief Economist of the Council of Economic Advisers from September 12, 2012 until then. Dr. Stock is on leave from Harvard University, where he is the Harold Hitchens Burbank Professor of Political Economy. Dr. Stock served as the Chair of the Harvard University Department of Economics from 2006 to 2009.

Katharine G. Abraham resigned as Member of the Council on April 19, 2013 to return to the University of Maryland, where she is a professor in the Joint Program in Survey Methodology and faculty associate in the Maryland Population Research Center.

## AREAS OF ACTIVITIES

A central function of the Council is to advise the President on all economic issues and developments. In the past year, as in the four previous years, advising the President on policies to spur economic growth and job creation, and evaluating the effects of the policies on the economy, have been a priority.

The Council works closely with various government agencies, including the National Economic Council, the Office of Management and Budget, White House senior staff, and other officials and engages in discussions on numerous policy matters. In the area of international economic policy, the Council coordinates with other units of the White House, the Treasury Department, the State Department, the Commerce Department, and the Federal Reserve on matters related to the global financial system.

Among the specific economic policy areas that received attention in 2013 were: housing policies; health care cost growth and the Affordable Care Act; individual and corporate taxation; college affordability and ratings; regional development; the economic cost of carbon pollution; renewable fuel standards; energy policy; intellectual property and innovation; infrastructure investment; regulatory measures; trade policies; poverty and income inequality; unemployment insurance and the minimum wage; labor force participation; job training; and foreign direct investment. The Council

also worked on several issues related to the quality of the data available for assessing economic conditions.

The Council prepares for the President, the Vice President, and the White House senior staff a daily economic briefing memo analyzing current economic developments and almost-daily memos on key economic data releases. Chairman Furman also presents a monthly briefing on the state of the economy and the Council's energy analysis to senior White House officials.

The Council, the Department of Treasury, and the Office of Management and Budget—the Administration's economic "troika"—are responsible for producing the economic forecasts that underlie the Administration's budget proposals. The Council initiates the forecasting process twice each year, consulting with a wide variety of outside sources, including leading private sector forecasters and other government agencies.

The Council was an active participant in the trade policy process, participating in the Trade Policy Staff Committee and the Trade Policy Review Group. The Council provided analysis and opinions on a range of trade-related issues involving the enforcement of existing trade agreements, reviews of current U.S. trade policies, and consideration of future policies. The Council also participated on the Trade Promotion Coordinating Committee, helping to examine the ways in which exports may support economic growth in the years to come. In the area of investment and security, the Council participated on the Committee on Foreign Investment in the United States (CFIUS), reviewing individual cases before the committee.

The Council is a leading participant in the Organisation for Economic Co-operation and Development (OECD), an important forum for economic cooperation among high-income industrial economies. The Council coordinated and oversaw the OECD's review of the U.S. economy. Chairman Furman is chairman of the OECD's Economic Policy Committee, and Council Members and staff participate actively in working-party meetings on macroeconomic policy and coordination and contribute to the OECD's research agenda.

The Council issued a wide range of reports in 2013 and early 2014. In June, the Council released a report assessing the economic benefits of reforming US's "broken immigration system." In October, the Council released a report analyzing the negative impact that the government shut-down and debt limit brinksmanship had on the economy. Also in October, the Council released a report describing why the US provides such an attractive investment climate for firms across the globe and how this is beneficial to the US. In November, the Council released a report analyzing the recent health care cost trends in addition to the contributions the Affordable Care

Act has had on reducing health care cost growth. In December, the Council worked with the Department of Labor to study the benefits of extending unemployment insurance. In January 2014, the Council released a progress report on the “War on Poverty” that Lyndon B. Johnson declared 50 years prior. In February 2014, the Council transmitted the final report on the fifth Anniversary of the Recovery Act to Congress. All of the aforementioned reports can be found on the Council’s website, and some of them are incorporated into this annual report as well. (<http://www.whitehouse.gov/administration/eop/cea/factsheets-reports>.)

The Council continued its efforts to improve the public’s understanding of economic developments and of the Administration’s economic policies through briefings with the economic and financial press, speeches, discussions with outside economists, and regular updates on major data releases and postings of CEA’s Reports on the White House and CEA blogs. The Chairman and Members also regularly met to exchange views on the economy with the Chairman and Members of the Board of Governors of the Federal Reserve System.

**PUBLIC INFORMATION**

The Council’s annual *Economic Report of the President* is an important vehicle for presenting the Administration’s domestic and international economic policies. It is available for purchase through the Government Printing Office, and is viewable on the Internet at [www.gpo.gov/erp](http://www.gpo.gov/erp).

The Council frequently prepared reports and blog posts in 2013, and the Chairman and Members gave numerous public speeches. The reports, posts and texts of speeches are available at the Council’s website, [www.whitehouse.gov/cea](http://www.whitehouse.gov/cea). Finally, the Council published the monthly *Economic Indicators*, which is available online at [www.gpo.gov/economicindicators](http://www.gpo.gov/economicindicators).

**THE STAFF OF THE COUNCIL OF ECONOMIC ADVISERS**

The staff of the Council consists of the senior staff, senior economists, economists, staff economists, research economists, a research assistant, and the administrative and support staff. The staff at the end of 2013 was:

*Senior Staff*

- Jessica Schumer . . . . . Chief of Staff
- Steven N. Braun . . . . . Director of Macroeconomic  
Forecasting
- Alexander G. Krulic. . . . . General Counsel

Adrienne Pilot . . . . . Director of Statistical Office  
Archana Snyder . . . . . Director of Finance and  
Administration

*Senior Economists*

David J. Balan . . . . . Industrial Organization, Technology,  
Health  
Marco Cagetti . . . . . Macroeconomics  
Jane K. Dokko . . . . . Housing  
Matthew Fiedler . . . . . Health  
Tracy M. Gordon . . . . . Tax, Budget  
Douglas Kruse . . . . . Labor, Disability  
Jordan D. Matsudaira . . . . . Labor, Education  
Cynthia J. Nickerson . . . . . Agriculture, Environment, Evaluation  
Ronald J. Shadbegian . . . . . Energy, Environment  
Kenneth A. Swinnerton . . . . . International

*Staff Economists*

Zachary Y. Brown . . . . . Labor, Health Housing  
John Coglianese . . . . . Labor, Public Finance,  
Macroeconomics  
Kevin Rinz . . . . . Labor, Education

*Research Economists*

Philip K. Lambrakos . . . . . Macroeconomics  
Cordaye T. Ogletree . . . . . Energy, Environment and  
International  
Krista Ruffini . . . . . Health  
Rudy Telles Jr. . . . . International, Technology

*Research Assistants*

Brendan Mochoruk . . . . . Tax, Budget  
Jenny Shen . . . . . Energy, Environment  
David N. Wasser . . . . . Labor, Immigration, Education

### *Statistical Office*

The Statistical Office gathers, administers, and produces statistical information for the Council. Duties include preparing the statistical appendix to the *Economic Report of the President* and the monthly publication *Economic Indicators*. The staff also creates background materials for economic analysis and verifies statistical content in Presidential memoranda. The Office serves as the Council’s liaison to the statistical community.

Brian A. Amorosi . . . . . Statistical Analyst  
Wenfan Chen . . . . . Economic Statistician

### *Office of the Chairman and Members*

Andrea Taverna . . . . . Special Assistant to the Chairman  
Natasha Lawrence . . . . . Special Assistant to the Members  
Matthew L. Aks . . . . . Special Assistant to the Chairman  
and Research Economist

### *Administrative Office*

The Administrative Office provides general support for the Council’s activities. This includes financial management, human resource management, travel, operations of facilities, security, information technology, and telecommunications management support.

Doris T. Searles . . . . . Administrative and Information  
Management Specialist  
Anna Y. Lee . . . . . Financial Systems Analyst

### *Interns*

Student interns provide invaluable help with research projects, day-to-day operations, and fact-checking. Interns during the year were: Katherine Allsop, Brian Bendett, Rachel Burdick, Katherine Carpenter, Benjamin Clark, Brian Collopy, Christopher Gum, Thomas Hedin, Ashwin Kambhampati, Michael Kennedy, Samsun Knight, Katelyn Lamson, Catherine Mahoney, Brennan Mange, David McCarthy, Elliot Melaney, J Mintzmyer, Ivan Mogensen, Benjamin Murray, Andrew Olenski, Sarah Orzell, Patrick Rooney, Chase Ross, Michelle Saipe, Julian Sarafin, Leah Soffer, Courtney Spetko, Benjamin Sprung-Keyser, Mattie Toma, Kate Tomlinson, William Weber, Katherine Wen, Kayla Wilding, and Andrew Winslow.

## DEPARTURES IN 2013

In August, David P. Vandivier left his position as Chief of Staff.

The senior economists who resigned in 2013 (with the institutions to which they returned after leaving the Council in parentheses) were: Bevin Ashenmiller (Occidental University), Benjamin H. Harris (Brookings Institution), Susan Helper (Case Western University), Justin Joffrion (U.S. Air Force Academy), Chinhui Juhn (University of Houston), Paul Lengermann (Federal Reserve Board), Emily Y. Lin (U.S. Department of the Treasury), Rodney D. Ludema (Georgetown University), James M. Williamson (U.S. Department of Agriculture), and Wesley Yin (UCLA).

The economists who departed in 2013 were David Cho (Princeton University) and Judd N.L. Cramer (Princeton University). David served the CEA for more than two years and was a recipient of the Robert M. Solow Award for Distinguished Service.

The staff economists who departed in 2013 were Nicholas Li, Ben Meiselman, Nicholas Tilipman, Lee Tucker, and Jeffrey Y. Zhang.

The research economists who departed in 2013 were Carys Golesworthy, Dina Grossman, and Spencer Smith.

Petra S. Starke resigned from her position as General Counsel. Michael Bourgeois resigned from his position as Special Assistant to the Chairman. Emily C. Berret resigned from her position as Special Assistant to the Members. Sarah A. Murray resigned from her position as Economic Statistician. Thomas F. Hunt resigned from his position as Staff Assistant.

